



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 GENERAL SOLANO STREET, SAN MIGUEL, MANILA



PROCUREMENT SERVICE
 Department of Budget and Management

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FEB 07 2022

OIC-EXECUTIVE DIRECTOR JASONMER L. UAYAN

Procurement Service – Department of Budget and Management (PS-DBM)
 RR Road, Cristobal Street
 Paco, Manila

Dear OIC-Executive Director Uayan:

Please be informed that the DBM-approved operating budget for FY 2022 of the PS-DBM is **P769,384,201**, broken down as follows:

Particulars	Amount (In Pesos)		
	Proposed	Recom	Variance
PS	P 416,388,998	281,818,016	(134,570,982)
MOOE	553,077,636	369,937,055	(183,140,581)
Capital Outlay	931,850,458	117,629,130	(814,221,328)
Total	P 1,901,317,092	769,384,201	(1,131,932,891)

The recommended Personnel Services (PS) requirements shall cover the salaries and other PS requirements of 366 filled plantilla positions, out of the 573 authorized positions, as of December 31, 2021.

The recommended MOOE level is computed based on FY 2021 estimated expenses plus 3% inflation rate or proposal whichever is lower except on items which are based on contracts.

The amount of P102.830 million included in P117.629 million for ICT equipment pertains to the cost of the disaster and recovery center which will secure the safety of servers and server rooms as PS-DBM's location is prone to flooding.

Not considered are Capital Outlay proposals for building construction and lot acquisition for additional DBM depots, procurement of various types of machineries and equipment, and proposal for motor vehicles which are not supported by complete and proper documentary requirement i.e work programs, clearances, inventories, specifications, deployment, etc, to serve as basis of evaluation.

The following conditions shall be observed and complied with relevant to this approval:

1. Section 9 of the General Provisions of the FY 2022 General Appropriations Act, RA No. 11639 which provides that receipts derived from other business-type

activities of agencies, including sale of products, authorized by law or by the Permanent Committee to be utilized for the operational expenses of the said business-type activity, subject to any conditions prescribed under the special provision of the agency concerned, may be constituted into a revolving fund and made available for the purpose stated.

2. Further, revolving funds shall be recorded separately and deposited in an authorized government depository bank, and considered self-perpetuating and self-liquidating. All eligible obligations or expenditures incurred for the operations of the said business-type activities shall be charged against the revolving fund. In no case shall said fund be used for the payment of discretionary and representation expenses.
3. Furthermore, the agency concerned shall submit to the DBM, copy furnished the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance either on printed form or by way of electronic document, quarterly reports on income and expenditure.
4. Moreover, this approval shall not be construed as an authorization for specific expenditure items under PS. The grant of such items is subject to the approval from the Office of the President. It is understood that:
 - Standard allowances and benefits, which are authorized to officials and employees of the National Government Agencies covered by Salary Standardization Law, may be adopted provided these are not already granted in other forms; and
 - The payment of salaries and increase in rates thereof and the grant of allowances, benefits and incentives, or an increase in the rates thereof shall be subject to the approval of the President.
5. Likewise, the information and communication technology equipment to be procured shall be included in the Information System Strategic Plan prepared in accordance with the guidelines prescribed by the Department of Information and Communications Technology.
6. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.

Very truly yours,


TINA ROSE MARIE L. CANDIA
Officer-in-Charge, DBM



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